

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: January 30, 1996

SUBJECT: **SB 2345 - HB 2478**

This bill, if enacted, will allow a low-income entrepreneur to place profits from self-employment in an escrow account with a "micro-lending intermediary program" and remain eligible for AFDC or a similar program. A micro-lending program is one that provides training, technical assistance or loan funds to low-income entrepreneurs. The bill states that self-employment will be considered the same as seeking employment or meeting the requirements of job training for AFDC. The money placed in escrow will not count as income or a resource for AFDC eligibility purposes. Implementation of this program would require a waiver from the Federal Government.

The fiscal impact from enactment of this bill is estimated to be an increase in state expenditures to administer the program and for payment of AFDC benefits which in the absence of the bill would not be paid. The amount of such expenditures cannot be determined but is estimated to be less than \$100,000 based upon information received from the Department of Human Services.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is written in a cursive, flowing style.

SB 2345 - HB 2478

James A. Davenport, Executive Director